

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-58066; File No. SR-NYSEArca-2008-32)

June 30, 2008

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Amendment No. 2 to Proposed Rule Change Relating to the Minor Rule Plan and Order Granting Accelerated Approval to the Proposed Rule Change as Modified by Amendment No. 2

I. Introduction

On March 18, 2008, NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend NYSE Arca Equities, Inc. (“NYSE Arca Equities”) Rule 10.12 (Minor Rule Plan) (“MRP”) and related rules that underlie the MRP. On April 17, 2008, the Exchange submitted Amendment No. 1 to the proposed rule change. The proposed rule change, as amended, was published for comment in the Federal Register on April 29, 2008.³ The Commission received no comments on the proposal. On June 11, 2008, the Exchange filed Amendment No. 2 to the proposed rule change.⁴ This notice and order solicits comments from interested persons on Amendment No. 2 and approves the proposal, as modified by Amendment No. 2, on an accelerated basis.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 56733 (April 22, 2008), 73 FR 23287 (“Notice”).

⁴ See partial Amendment dated June 11, 2008 (“Amendment No. 2”). The text of Amendment No. 2 is available on the Commission’s Web site (<http://www.sec.gov/rules/sro/nysearca.shtml>), at the Commission’s Public Reference Room, at NYSE Arca’s principal office, and on NYSE Arca’s Web site (<http://www.nyse.com>).

II. Description of the Amended Proposal

The Exchange proposed to amend its Minor Rule Plan and related rules that underlie the MRP, including Rules 5.2(b)(1) (Notification Requirements for Offering of Securities), 6.1 (Adherence to Law), 6.18 (Supervision), 7.38(c) (Odd and Mixed Lots – Prohibitions), and 9.2(c) (Customer Records).

Rule 5.2(b)(1) – Notification Requirements for Offering of Securities

The Exchange proposed to correct an error that was inadvertently created when the NYSE Arca Rules were updated to replace the obsolete term “Member” with the term “ETP Holder.” The Exchange stated that the intended reference in this rule is to all members of a syndicate and proposed, therefore, to reinsert the correct term “members.”

Rule 6.1 – Adherence to Law and Good Business Practices

The Exchange designated existing Rule 6.1 as Rule 6.1(a) and substituted the word “fair” in the rule’s requirement that certain actions of “any ETP Holder shall at all times comply with fair and equitable principles of trade” with the word “just.” The Exchange also proposed to adopt Rule 6.1(b), which would require all ETP Holders, their associated persons, and other participants to adhere to the principles of good business practice in the conduct of their business affairs.⁵ Violations of Rule 6.1(b) would be eligible for MRP disposition.

Rule 6.18 - Supervision

The current language of Rule 6.18(b) provides that only ETP Holders for whom the Exchange is the Designated Examining Authority (“DEA”) are subject to its supervisory requirements. The Exchange proposed to amend Rule 6.18 to provide that all ETP Holders,

⁵ This rule is based on the current NYSE Rule 401(a).

